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April 28, 2016

Via Hand Delivery

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

**Re: WC Docket No. 10-90
Industry Telephone Company Challenge to A-CAM V2.2
Competitive Coverage of Ranch Wireless, Inc.**

Dear Ms. Dortch:

On behalf of Industry Telephone Company ("ITC"), JSI files the attached confidential version of the ITC comments to challenge the competitive coverage contained in Alternative Connect America Cost Model ("A-CAM") version 2.2 pursuant to the streamlined challenge process established by Public Notice.¹ A redacted version has been filed this date via the Electronic Comment Filing System. ITC seeks confidential treatment as a Reviewing Party licensed under the Third Supplemental Protective Order for protection of Connect America Cost Model derived data.²

Please direct any questions regarding the filing to the undersigned.

Sincerely,

John Kuykendall
JSI Vice President
301-459-7590
jkuykendall@jsitel.com

cc: Katie King, Telecommunications Access Policy Division (two copies, confidential)
Margaret Avril Lawson, CostQuest Counsel, (via email)

¹ See Wireline Competition Bureau Releases Alternative Connect America Cost Model Version 2.2 and Illustrative Results and Commences Challenge Process to Competitive Coverage, WC Docket No. 10-90, Public Notice (rel. Apr. 7, 2016) ("Public Notice").

² In the Matter of Connect America Fund, Third Supplemental Protective Order, DA 12-1995, rel. Dec. 11, 2012.

In the Matter of)
) WC Docket No. 10-90
Connect America Fund)

**COMMENTS OF INDUSTRY TELEPHONE COMPANY
CHALLENGING A-CAM COMPETITORS PURSUANT TO PUBLIC NOTICE**

Pursuant to the *Public Notice* and paragraph 71 the Report and Order, Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking released on March 30, 2016 in the above-reference proceedings by the FCC,² ITC hereby challenges the competitive coverage in certain census blocks contained in the latest version of the A-CAM model (ver. 2.2).

ITC is a small rural, rate-of-return incumbent local exchange carrier offering voice and broadband service to customers within the exchanges of Carmine, Industry, and New Ulm, located roughly half-way between Houston and Austin, Texas, in portions of Austin, Colorado, Lee, Fayette, and Washington counties. The Company’s Study Area Code (“SAC”) is 442093 and its FCC Registration Number (“FRN”) is 0001683630.

² See *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Order, FCC 16-33 (rel. Mar. 30, 2016) (“*USF Reform Order*”).

As further outlined below, ITC maintains that the latest version of the A-CAM contains errors that are significantly impacting the total number of locations eligible for support by excluding census blocks that are purportedly served by subsidized providers, or by unsubsidized competitive providers based on erroneous FCC Form 477 data. As noted in the *Public Notice*, some of the unsubsidized competitors identified in the Company's study area do not comply with the 2016 urban rate benchmarks established by the FCC, which is identified as a requirement to be considered an unsubsidized competitor. These errors in the A-CAM model, along with those identified within joint comments filed by ITC's consulting firm, JSI, relating to "split blocks" served jointly by two subsidized providers, significantly reduce ITC's potential model-based support by approximately [REDACTED] such that model-based support is not a viable option, absent correction. However, if the model were corrected to accurately reflect competitive overlap, it is possible that ITC would elect model-based support, depending on future model runs. The latest version of the A-CAM eliminates [REDACTED] of the [REDACTED] total eligible locations (after applying the \$52.50 limitation) within ITC's study area.

Through these comments, ITC is not challenging all competitive overlap information within the A-CAM for its study area, as the Company currently has a limited basis upon which to challenge some unsubsidized competitors operating in a few of the ITC's census blocks during the abbreviated time period allowed for A-CAM challenge. However, there are a significant number of census blocks that contain erroneous competitive overlap findings, which ITC is seeking to have corrected in the next release of the A-CAM.

II. UNSUBSIDIZED COMPETITORS

ITC submits challenges to the following provider based primarily on grounds that its broadband service offerings do not meet the FCC's criteria to be considered an unsubsidized competitor, including broadband speeds and prices. As the FCC noted in its *USF Reform Order*, in order to be considered an unsubsidized competitor, a provider must offer broadband service that is at least capable of providing 10/1 Mbps service.³ However, the identified competitive provider operating in census blocks within the Company's study area does not offer broadband services in compliance with the established criteria, as further addressed below.

³ See *USF Reform Order* at footnote 31.

ITC also challenges the below-listed provider based on the provider's failure to comply with the FCC's published broadband rate benchmarks, based on the latest urban rate survey, as well as on the provider's lack of service, based on publicly available coverage area maps. It is ITC's position that this provider has submitted erroneous information in their FCC Form 477s, which significantly and negatively impacts the Company's potential model-based support under the latest A-CAM version. Once corrected, the A-CAM model may be a viable option for ITC, and the Company therefore seeks to have this provider removed from the list of unsubsidized competitors within the identified census blocks such that the affected census blocks become eligible for model-based support.

Ranch Wireless, Inc. (FRN: 0003802303)

Ranch Wireless, Inc. ("Ranch") is identified as a fixed wireless provider (technology code 70) offering wireless broadband service within wide portions of ITC's study area. According to the A-CAM, which is based on Ranch's FCC Form 477 filings, Ranch provides fixed wireless broadband service within 117 census blocks within ITC's study area.

However, as identified in Attachment Ranch 1-1, Ranch does not offer any broadband service capable of sustained 10 Mbps broadband service. Ranch's highest speed (and highest priced) offering, Ranch Super Max Residential, only offers sustained speeds of 6 Mbps and is not available in all areas. Further, in order to receive this level of service from Ranch, as also identified on Ranch 1-1, the customer must purchase a "Special Ranch Max Residential radio," but does not disclose the price of this radio or the cost of additional equipment, such as antennas and other equipment. While some of Ranch's lower tiers of broadband service use standard radios, which are available for lease from Ranch for \$10 per month or may be purchased for \$249 plus tax and accessory costs, the Special Ranch Max Residential radios are not available for lease and must be purchased separately by the customer. Further, as Ranch's website makes clear, "[m]aximum and sustained rates are configured as limits, not as guarantees."⁴

Additionally, all of Ranch's residential broadband rates do not meet the FCC's broadband public interest obligations as they all exceed the FCC's established broadband reasonably comparable benchmark rates.⁵ Following is a comparison of Ranch's retail residential broadband

⁴ See exhibit Ranch 1-1. <http://ranchwireless.com/residential-internet-plans/>

⁵ See <https://www.fcc.gov/general/urban-rate-survey-data-resources>.

services and rates to the established FCC benchmarks, utilizing the FCC's latest broadband benchmark rate calculator.⁶

Download Speed	Upload Speed	Usage Allowed	Ranch Rates	Benchmark Rate
1 Mbps	1 Mbps	30 GB	\$29.95	Out of Range
2 Mbps	1 Mbps	60 GB	\$49.95	Out of Range
4 Mbps	1 Mbps	100 GB	\$69.95	\$66.97
6 Mbps	1 Mbps	150 GB	\$89.95	\$69.51
6 Mbps	1 Mbps	300 GB	\$119.95	\$72.97

In addition to the Company's challenge for Ranch related to the speeds and prices of Ranch's broadband services, ITC challenges Ranch based on coverage area, despite Ranch's apparent claimed coverage area in its FCC Form 477s. Attached as exhibit Ranch 1-2 is a map of Ranch's advertised coverage area, also pulled from the company's website at <http://ranchwireless.com/coverage-map/>. ITC has overlaid its own study area on Ranch's coverage area map in exhibit Ranch 1-2, outlined in green. As shown on the attached exhibit, Ranch does not offer any broadband service anywhere within ITC's study area or census blocks.

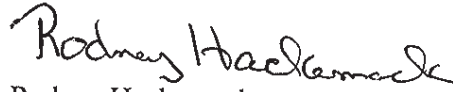
Under A-CAM Ver. 2.2, Ranch is eliminating many census blocks from ITC's study area. Attached as exhibit Ranch 1-3 is a list of census blocks that Ranch's erroneous FCC Form 477 reports are impacting within ITC's study area. Through these comments, ITC requests that Ranch be removed from the list of unsubsidized competitors affecting the Company's support under the A-CAM.

III. CONCLUSION

For the reasons stated above, the Company respectfully requests, pursuant to the *Public Notice* and paragraph 71 of the *USF Reform Order*, that the Commission find the evidence submitted herein to be sufficient to correct the erroneous exclusion of certain census blocks in the latest A-CAM such that ITC can make an informed decision as to whether or not it wishes to opt for model-based support and to such other relief, as the Company may be justly entitled.

⁶ While Ranch does not advertise upload speeds, for purposes of comparing rates, ITC assumes that Ranch offers at least 1 Mbps upload speeds.

Respectfully submitted,

A handwritten signature in black ink that reads "Rodney Hackemack". The signature is written in a cursive style with a large, stylized 'R' and a long, sweeping underline.

Rodney Hackemack
Director of Regulatory Affairs
Industry Telephone Company
17105 Fordtran Blvd.
Industry, Texas 78944
Phone: 979-357-4411
Facsimile: 979-357-2323

Filed April 27, 2016

Attachments

**PETITION OF INDUSTRY TELEPHONE COMPANY
CHALLENGING A-CAM COMPETITORS PURSUANT TO REPORT AND ORDER,
ORDER AND ORDER ON RECONSIDERATION, AND FURTHER NOTICE OF
PROPOSED RULEMAKING**

EXHIBIT RANCH 1-1

4/13/2016

Residential Internet Plans | Ranch Wireless Internet



830.379.0660



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Residential Internet Plans

Ranch Wireless of Texas is a full-service provider of [Business](#) and [Residential](#) High Speed Wireless Internet providing service throughout South Central Texas. Ranch Wireless offers several wireless internet plans tailored to different needs and budgets.

Basic Residential – \$29.95/month

- up to 1Mbps with up to 5Mbps Wildfire burst
- Includes up to 30 GB of data use + \$1/GB or part thereof used over the first 30 GB

Ranch Hand Residential – \$49.95/month

- up to 2Mbps with up to 8Mbps Wildfire burst
- Includes up to 60 GB of data use + \$1/GB or part thereof used over the first 60 GB

Ranch Boss Residential – \$69.95/month

- up to 4Mbps with up to 10Mbps Wildfire burst.
- Includes up to 100 GB of data use + \$1/2GB or part thereof used over the first 100 GB

Ranch Max Residential* – \$89.95/month

- up to 6Mbps with up to 10Mbps Wildfire burst
- Includes up to 150 GB of data use + \$2/10GB or part thereof used over the first 150 GB

Ranch Super Max Residential with Static Public IP* – \$119.95/month

- up to 6Mbps with up to 10Mbps Wildfire burst
- Includes up to 300 GB of data use + \$1/10GB or part thereof used over the first 300 GB

*Ranch Max Residential and Ranch Super Max Residential plans not yet available in all areas and may require special radio equipment that must be purchased by the customer.

Maximum and sustained rates are configured as limits, not as guarantees. Maximum rates are dependent upon network conditions, service area, radio frequency band, and usage patterns. Each higher plan includes an increase in the amount of time the higher end of the plan speed is active. There is no committed minimum rate on a residential plan. A public IP may be available on a residential plan for an additional \$30/month. Committed minimum rates are standard on our Business plans. Data usage totals are monitored on our servers. The server can send an email to the account on file showing the data amount used at that time based on presets under the user control in the customer portal. The customer can also view the current usage, pay online, correct account information, etc. in the customer portal on the new server.

The Canopy or Standard Radio can be purchased for a cost of \$249 plus tax and accessories as needed with no contract, or rented from Ranch Wireless for an additional \$10/month with a two year service and rental contract (except for the Special Ranch Max Residential radio, if needed). Any rental radio accounts will still be required



Ranch Wireless News

Apr 12 [Are Updates To Your Browser Important?](#)

Feb 10 [How do IP phone systems work?](#)

Jan 11 [Pick Up Your 2016 Calendar Now](#)

Dec 23 [Merry Christmas!](#)

Sep 03 [Make the most of your internet connection](#)

Contact Ranch Wireless

Your Email (required)

Subject

Your Name (required)

Your Message

4/13/2016

Residential Internet Plans | Ranch Wireless Internet

to pay for any additional items at the time of installation that are required to mount or otherwise install the radio and attach a computer. Not everyone will qualify for the rental option, and Ranch Wireless reserves the right to determine that qualification at its sole discretion. Multiple computers are allowed at no additional charge with the use of a switch or router to be supplied and managed by the customer. A router can be rented from and managed by Ranch Wireless for an additional \$15/month fee for up to three remote management incidents per month. Ranch Wireless does not allow the sharing or reselling of Internet bandwidth outside the primary household or business for which the service is purchased.



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Security Code:

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[Coverage Map](#)

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Phone: 830.379.0660

Email: sales@ranchwireless.com

Address:

PO Box 871

Seguin, TX 78156



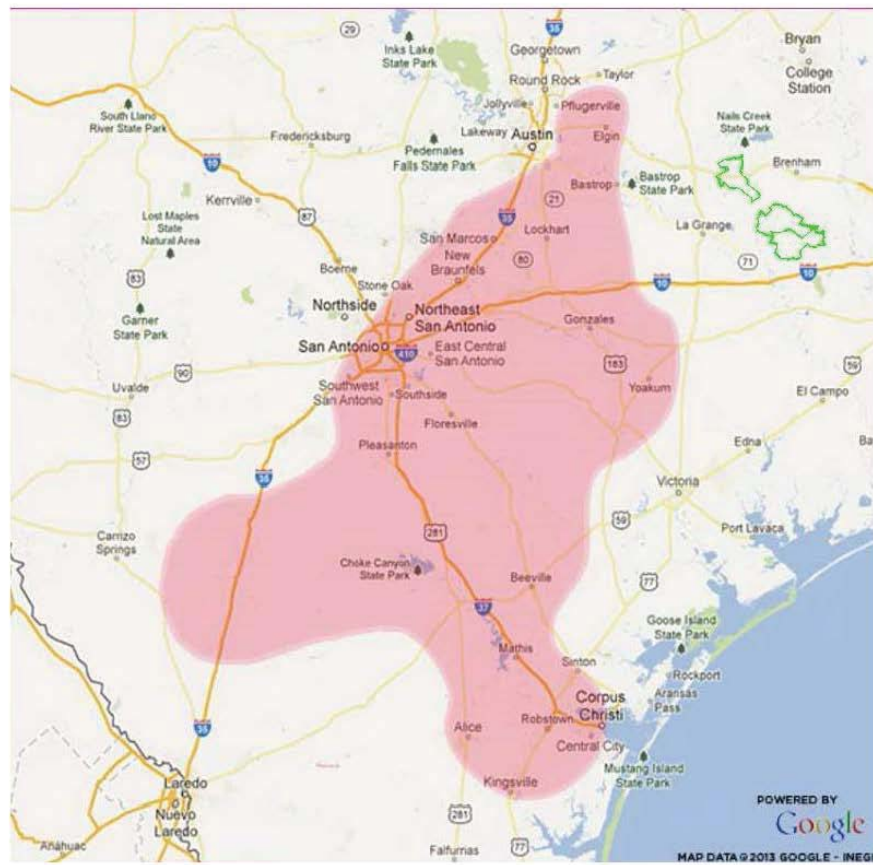
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EXHIBIT RANCH 1-2



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EXHIBIT RANCH 1-3

Census Blocks	Total Locations With Competition	Competitive Company and Technology Code
[REDACTED]		



